

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6573

BILL NUMBER: HB 1247

NOTE PREPARED: Feb 29, 2012

BILL AMENDED: Feb 27, 2012

SUBJECT: Operator's License Renewal Schedule and Fees.

FIRST AUTHOR: Rep. Soliday

FIRST SPONSOR: Sen. Wyss

BILL STATUS: As Passed Senate

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides for expiration dates and sets fees for the renewal of certain operator's licenses that are set to expire in 2012. The bill also makes conforming changes.

Effective Date: Upon passage.

Explanation of State Expenditures: *Changes to Operator's License Renewal:* This bill changes renewal dates for certain operator's licenses that are set to expire in CY 2012. This bill is expected to reduce the total number of operator's licenses that will require renewal in CY 2018 by reducing the valid period of operator's licenses (1) issued between May 15, 2007, and December 31, 2007, and renewed in 2012 to 5 years and (2) during CY 2006 to 4 years. [There will be no impact on licenses first issued during CY 2008.] As a result, this bill is expected to redistribute a portion of the workload to process operator's license renewal requests from CY 2018 to CY 2016 and CY 2017.

Explanation of State Revenues: This bill changes renewal fees for certain operator's licenses that are set to expire in CY 2012. The BMV reports the only fees affected are those that are deposited in the Motor Vehicle Highway Account (MVHA) and the Crossroads 2000 Fund.

The \$9 fee for operator's license renewals affected by the bill is currently deposited in the Motor Vehicle Highway Account (\$6) and the Crossroads 2000 Fund (\$3). For licenses first issued between May 15, 2007, and December 31, 2007, the renewal fee will be \$7.50 (\$5 to the MVHA and \$2.50 to the Crossroads 2000 Fund). For licenses issued or renewed during CY 2006, the renewal fee will be \$6 (\$4 to the MVHA and \$2.00 to the Crossroads 2000 Fund). [There will be no impact on fees collected from licenses issued or renewed

during CY 2008.]

As a result of the reduction of renewal fees, the MVHA and Crossroads 2000 Fund are estimated to see revenue reductions of approximately \$2.66 M and \$760,000 during CY 2012. The total revenue loss between both funds for CY 2012 is approximately \$3.42 M.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV.

Local Agencies Affected:

Information Sources: Elizabeth Murphy, BMV.

Fiscal Analyst: Bill Brumbach, 232-9559.